

House of Representatives

General Assembly

File No. 555

January Session, 2011

Substitute House Bill No. 6157

House of Representatives, April 18, 2011

The Committee on Finance, Revenue and Bonding reported through REP. WIDLITZ of the 98th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

AN ACT CONCERNING STATE FORESTRY PROGRAMS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

- Section 1. Section 23-20 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):
- 3 (a) The Commissioner of Environmental Protection shall administer
- 4 the statutes relating to forestry and the protection of forests. The
- 5 commissioner may: [employ] (1) Employ such field and office
- 6 assistants as may be necessary for the execution of his or her duties, [.
- 7 The commissioner may,] (2) from time to time, publish the forestry
- 8 laws of the state and other literature of general interest and practical
- 9 value pertaining to forestry, [. The commissioner may] (3) enter into
- 10 cooperation with departments of the federal government for the
- 11 promotion of forest resource management and protection within the
- state, [. The commissioner may,] and (4) with the assistance of the State
- 13 Forester, develop and administer plans for the protection and
- 14 management of publicly owned woodlands. Such plans shall include,

but not be limited to_z proposals for the establishment of forest plantations and the marketing of forest products.

- 17 (b) Not later than January 10, 2010, the commissioner shall apply to 18 have publicly owned woodlands or products from such woodlands 19 certified or licensed under one or more of the following, provided the 20 commissioner uses private funding from gifts, donations or bequests, 21 as authorized in this section, for the cost of all such applications: (1) 22 The Sustainable Forestry Initiative Program, (2) the American Tree 23 Farm System, (3) the Canadian Standards Association's Sustainable 24 Management System Standards, (4) the Finnish Standard, (5) the Forest 25 Stewardship Council, (6) the Pan-European Forest Certification 26 Program, (7) the Swedish Standards, (8) the United Kingdom 27 Woodland Assurance Scheme, (9) the Smart Wood Program, as 28 administered by the Rainforest Alliance, or (10) any other programs 29 deemed necessary, as determined by the commissioner. The 30 commissioner shall implement any sustainable forestry practice 31 necessary for such certification or licensure. The commissioner may 32 accept, on behalf of the Department of Environmental Protection, any 33 gifts, donations or bequests for the purposes of applying for and 34 obtaining such certification or licensure.
 - (c) (1) The commissioner may harvest forest products from woodlands owned by the state and take such other measures as [he or she] the commissioner deems necessary for [their] the efficient management and protection [,] of such woodlands and may sell wood, timber and other products from any state woodlands whenever [he or she] the commissioner deems such sales desirable and may develop recreational facilities in the woodlands managed by the Department of Environmental Protection. The commissioner shall charge no less than ten dollars per cord for any such wood or timber sold as fuel.
 - (2) There is established an account to be known as the "timber harvesting revolving account" which shall be a separate, nonlapsing account within the General Fund. Proceeds from the harvest of timber from state forests and state wildlife management areas shall be

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deposited in such account. The commissioner shall use moneys in such account for the purpose of developing forest management plans to guide the harvest of timber from state forests and state wildlife management areas and for all reasonable direct expenses relating to the administration and operation of such plans in such state forests and wildlife management areas. The commissioner may accept, on behalf of the Department of Environmental Protection, any gifts, donations, loans or bequests for the purposes of depositing such funds into the timber harvesting revolving account. Any such loan from a nonprofit organization qualified under Section 501(c)(3) of the Internal Revenue Code of 1986, or any subsequent corresponding internal 59 revenue code of the United States, as amended from time to time, shall be repaid from such account not later than two years after entering such loan agreement or at a time and upon terms agreed upon by the commissioner and such nonprofit organization. The account shall not exceed one hundred thousand dollars. Any remaining proceeds shall be deposited in the General Fund.

(d) The commissioner may rent state forest property and buildings thereon under his or her jurisdiction for a period not exceeding twenty-five years, provided any lease for such property and building for a term of more than ten years shall be subject to the review and approval of the State Properties Review Board. The proceeds of such sales, rentals and any receipts resulting from management of the state forests, or from reimbursements from other state departments or state institutions, shall be deposited in the General Fund in accordance with the provisions of section 4-32. Expenditures incurred by the commissioner for the protection, management and development of the forests, the preparation and marketing of forest products and the acquisition of land for the extension and completion of the state forests as provided in section 23-21 may be paid with moneys appropriated from the General Fund.

(e) The provisions of this section shall not apply to land owned or managed by the state on which forest resource management measures may be restricted by deed, statute, or incompatible use. As used in this

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82 section, woodland means land owned or managed by a state agency

83 and stocked with forest tree species not less than six hundred stems

84 per acre and at least one year old.

This act shall sections:	l take effect as follov	s and shall amend the following
Section 1	from passage	23-20

ENV Joint Favorable C/R FIN

FIN Joint Favorable Subst.

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 12 \$	FY 13 \$
Department of Environmental	GF - Revenue	100,000	100,000
Protection	Loss		
Department of Environmental	GF; Timber	100,000	100,000
Protection	Harvest		
	Revolving		
	Account -		
	Revenue Gain		

Note: GF=General Fund

Municipal Impact: None

Explanation

The harvest of timber from state-owned land annually generates approximately \$500,000 - \$600,000 in General Fund revenue. This bill directs up to \$100,000 from those proceeds to the newly created timber harvest revolving account, a separate nonlapsing account within the General Fund. Thus, this bill results in a revenue loss to the resources of the General Fund and a revenue gain to the timber harvest revolving account.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to the amount of annual revenue collected from the harvest of timber and state wildlife management areas.

OLR Bill Analysis sHB 6157

AN ACT CONCERNING STATE FORESTRY PROGRAMS.

SUMMARY:

By law, the Department of Environmental Protection (DEP) commissioner may harvest timber from state-owned land and sell it for at least \$10 per cord. This bill establishes a "timber harvest revolving account" to receive the proceeds from harvesting timber.

Under the bill, the commissioner must use the account funds for (1) developing forest management plans and (2) reasonable expenses for administering and operating the plans. The bill authorizes the commissioner to accept, on DEP's behalf, any gifts, donations, loans, or bequests for the account. Any loans from a nonprofit organization must be repaid from the account within two years or as agreed upon between the commissioner and the organization.

The account cannot exceed \$100,000. Any proceeds over that amount must be deposited to the General Fund.

EFFECTIVE DATE: Upon passage

COMMITTEE ACTION

Environment Committee

Joint Favorable Change of Reference Yea 26 Nay 0 (03/09/2011)

Finance, Revenue and Bonding Committee

Joint Favorable Substitute Yea 52 Nay 0 (04/07/2011)